



Endicott Hotel Project

Upper Floor Development
Committee

June 25, 2014

The Project

- Conversion of 36 subsidized residential units to 24 market rate apartments.*
- Rehab and leasing of ground floor commercial bays.

*Originally proposed as 25 apts.

Development Challenges at Outset

- Existing tenant relocation/CATCH Mission
- CDBG penalty
- Commercial spaces were under separate ownership
- Historic building
- No on-site parking
- Perception of the building
- Untested residential market

Advantages

- CATCH has strong development record
- Experienced local architect and contractor familiar with codes and permitting process
- Building already had an elevator
- Building already had sprinkler system
- Overnight and weekend parking available on street and in abutting Cap Commons Garage
- Community/lender support

Plan Review Process

- Preliminary Code/Architect discussions: 6/2011
- Development Team Appearance: 9/29/2011
- Determination: No site plan review necessary as project decreased number of units
- Architectural Design Review
 - Residential portion 6/20/2012
 - Commercial spaces 4/17/2013
- Project was progressing toward construction when...

Fire

- Feb 2012
- Guttered the former Green Martini space and damaged other portions of the building.
- Revealed structural problems
- Delayed the project 5-6 months
- But, also provided financial flexibility...



Building Permit Process

- Building permit plans and application filed on 9/17/2012
- Permit for demolition issued on 9/28/2012 to remove fire damaged material and allow for further structural analysis.
- Building permit to allow for all construction issued 10/2012
- Temporary Certificate of Occupancy issued 8/1/2013
- Final Certificate of Occupancy issued 11/6/2013

Construction Challenges

- Fire-stopping (code interpretation disagreement)
- Re-use of existing materials on 1st floor ceilings (tin) where 1 hour fire rating is required
- Re-use of existing plumbing
- Energy code requirements (exempt due to historic structure designation)
- Structural repairs
- Egress issues on the lower level
- Venting needs for food service tenants
- Public access through their construction

Permit Fees

Code Administration

- Building permit: \$23,110.45
- Electrical permit: \$2,169.55
- Mechanical: \$434.06
- Plumbing: \$1,043.30
- Fire Life Safety Review \$628.00
- Total: \$27,385.36

Permit Fees

Fire Department

- The total fees for Fire Prevention permits were \$1,643.00.
 - 1 Sprinkler system permit (replace most of old system)
 - 1 Temporary standpipe permit
 - 1 Sprinkler modification permit for N.E. Credit Union and Live Juice fit up
 - 1 Sprinkler modification permit for Vivid Hair fit up
 - 1 Fire alarm permit (replace old system)
 - 1 Fire alarm modification permit for Vivid Hair
 - 1 Welding and cutting permit for install of structural steel

Application Fees

Planning Division

- Condo Conversion Application \$2,065
- ADR application #1 \$150
- Inspection Fee for Temporary C.O. \$300
- ADR application #2 \$150
- Total \$2,665

Financial Assistance

RSA 79-E

- Application Filed:
12/7/2011
- Public Hearing/Approval:
3/12/2012
- 9 years for residential*
- 7 for commercial spaces*

*reduced to 5 and 3 years respectively due to non-utilization of federal historic tax credits. Combined tax benefit to CATCH from tax relief: \$71,000. Base assessment claimed by CATCH to be too high—diminished RSA benefit.

City Loan

- Discussions began in 1/2012
- Application Filed: 3/2013
- CDAC approval: 3/2013
- \$150,000; 15 years w/25 year amortization @ 5%
- Used as financing for store front renovations and overages on structural repairs.
- Loan closed: 5/22/13

Applicant's Significant Concerns

- Interpretation between “Existing” Building Code and “New” Building Code
- City's property value assessment is believed to be too high across the downtown
- Feeling that City needs to take lead in accessibility interpretation

Accessibility Review & Certification Statutory Requirement

- Responsibility for certifying that a project meets the accessibility standards of the state building code rests with the owner and contractor (RSA 155-A:5).

II. Except as provided in paragraph III, the contractor shall obtain and submit to the owner of the public building a written certification from a person qualified under RSA 155-A:5-b that:

(a) The design drawings or construction drawings for the proposed new construction, addition, or alteration meets the accessibility standards of the state building code; and

(b) Upon the completion and after inspection, the new construction, addition, or alteration meets the accessibility standards of the state building code.

Accessibility Review and Certification

RSA 155-A: 5-a (IV). Nothing in this section shall be construed as requiring municipalities to inspect and certify public buildings for compliance with accessibility standards.



Endicott Hotel Today

- All of the units are occupied (although 6 months behind pro-forma's anticipated schedule)
- Tenants include families, young professionals and “empty nesters”
- No need to incentivize/reduce rents
- No special marketing needed to attract renters